

UNITED STATES DISTRICT COURT  
DISTRICT OF SOUTH DAKOTA  
SOUTHERN DIVISION

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UNITED STATES OF AMERICA,

CR 19-40018

Plaintiff,

FACTUAL BASIS STATEMENT

vs.

CRYSTAL NELSON,

Defendant.

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Defendant states that the following facts are true, and the parties agree that they establish a factual basis for the offense(s) to which Defendant is pleading guilty pursuant to Fed. R. Crim. P. 11(b)(3):

Beginning on or about December 2013, and continuing through September 2018, Crystal Nelson, with the intent to defraud, devised and intended to devise a scheme and artifice to defraud and to obtain money and property from the McCrossan Boys Ranch (MBR), located near Sioux Falls, South Dakota. The object of Nelson's scheme and artifice to defraud was to unjustly enrich herself by fraudulently obtaining funds belonging to MBR.

From approximately 2009, through on or about September 6, 2018, Nelson was the bookkeeper for MBR, and in this capacity, she was responsible for managing and reconciling various MBR accounts. Her duties included handling MBR's payroll system, managing MBR's client fund account, and paying MBR's credit cards.

On multiple occasions during the relevant time period, Nelson falsely and fraudulently inflated her own payroll checks and then used the funds for her own purposes. She disguised her theft by debiting money from the payroll account and crediting the operating account, and by creating false documentation for MBR's payroll binder.

On multiple occasions during the relevant time period, Nelson wrote checks from MBR's client fund account payable to cash, cashed the checks, and then used the funds for her own purposes. She also gave these checks the appearance of regular MBR client fund expenditures.

On multiple occasions during the relevant time period, Nelson used MBR's credit card without authority for her own personal expenses.

As part of Nelson's scheme and artifice to defraud and to obtain money from MBR, Nelson caused various wire communications to be sent. This includes an ACH payroll payment for \$3,552.87 made on or about September 1, 2017. This transaction involved an interstate wire transmission from First Premier Bank in Sioux Falls to Great Western Bank in Sioux Falls through the Electronics Payment Network in New York.

Nelson's actions were all in violation of 18 U.S.C. § 1343.

RONALD A. PARSONS, JR.  
United States Attorney

6/14/19  
Date

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6-12-19  
Date

Crystal Nelson  
Crysta Nelson  
Defendant

6/13/19  
Date

Michael J. Butler  
Michael J. Butler  
Attorney for Defendant